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SENATE BILL 35

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY

Dede Feldman

AN ACT

RELATING TO TAXATION; PROVIDING AN INCOME TAX CREDIT FOR THE
PURCHASE OF CERTAIN ENERGY-EFFICIENT APPLIANCES AND EQUIPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Income Tax Act is enacted
to read:

"~~[NEW MATERIAL]~~ CREDIT FOR ENERGY-EFFICIENT HEATING,
VENTILATING AND COOLING EQUIPMENT.--

A. A taxpayer who files an individual income tax
return and who is not a dependent of another taxpayer is
eligible for a tax credit for energy-efficient heating,
ventilating and cooling equipment installed in the taxpayer's
residence in New Mexico in the taxable year in which the credit
is claimed in the following amounts for the following
equipment:

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1 (1) twenty-five dollars (\$25.00) for an
2 advanced main air circulation fan that has a total annual
3 electricity use of no more than two percent of the total energy
4 use of the furnace to which it is attached;

5 (2) seventy-five dollars (\$75.00) for a
6 furnace or hot water boiler that has an annual fuel utilization
7 efficiency of at least ninety-five percent;

8 (3) one hundred fifty dollars (\$150) for an
9 electric heat pump water heater that has an energy factor of at
10 least two;

11 (4) one hundred fifty dollars (\$150) for an
12 electric heat pump that has a heating seasonal performance
13 factor of at least nine, a seasonal energy-efficiency ratio of
14 at least fifteen and an energy-efficiency ratio of at least
15 thirteen;

16 (5) one hundred fifty dollars (\$150) for a
17 geothermal heat pump that:

18 (a) in the case of a closed loop
19 product, has an energy-efficiency ratio of at least fourteen
20 and one-tenth and a heating coefficient of performance of at
21 least three and three-tenths;

22 (b) in the case of an open loop product,
23 has an energy-efficiency ratio of at least sixteen and two-
24 tenths and a heating coefficient of performance of at least
25 three and six-tenths; and

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1 (c) in the case of a direct expansion
2 product, has an energy-efficiency ratio of at least fifteen and
3 a heating coefficient of performance of at least three and
4 five-tenths;

5 (6) one hundred fifty dollars (\$150) for a
6 central air conditioner that has a seasonal energy-efficiency
7 ratio of at least fifteen and an energy-efficiency ratio of at
8 least thirteen;

9 (7) one hundred fifty dollars (\$150) for a
10 water heater that has an energy factor of at least eight-
11 tenths; and

12 (8) three hundred dollars (\$300) for an
13 energy- and water-efficient advanced evaporative cooling system
14 with a minimum effectiveness of ninety percent.

15 B. The tax credit provided by this section may only
16 be deducted from the taxpayer's income tax liability for the
17 taxable year in which the credit is claimed.

18 C. A husband and wife who file separate returns for
19 a taxable year in which they could have filed a joint return
20 may each claim only one-half of the credit that would have been
21 allowed on a joint return.

22 D. The energy, minerals and natural resources
23 department shall verify equipment that meets the requirements
24 for the tax credit provided by this section and develop
25 procedures to provide this information to taxpayers. The

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1 energy, minerals and natural resources department may issue
2 rules for administering the provisions of this subsection."

3 Section 2. APPLICABILITY.--The provisions of this act
4 apply to taxable years beginning on or after January 1, 2008
5 but before January 1, 2015.